

RECORDATION NO. 23297 FILED

DEC 28 '00 : 1:06 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

December 28, 2000

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

*New No.*

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of December 28, 2000, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Radnor Rail, Ltd.  
Suite 112  
150 Strafford Avenue  
Radnor, Pennsylvania 19087

Lessee: RailTex, Inc.  
5300 Broken Sound Boulevard  
Boca Raton, Florida 33487

A description of the railroad equipment covered by the enclosed document is:

Fifty three (53) locomotives with CORP, DGNO, GSWR, IORY, ISRR, MNA, NECR, TPW and WTLR rail marks as shown on the schedule attached to the Memorandum of Lease.

Mr. Vernon A. Williams  
December 28, 2000  
Page 2

A short summary of the document to appear in the index is:

Memorandum of Lease, dated as of December 28, 2000, between Radnor Rail, Ltd., Lessor, and RailTex, Inc., Lessee, covering fifty three (53) locomotives with CORP, DGNO, GSWR, IORY, ISRR, MNA, NECR, TPW and WTLR rail marks as shown on the schedule attached to the Memorandum of Lease.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Robert W. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bjg  
Enclosures

# SCHEDULE OF LOCOMOTIVES

## FIFTY-THREE (53) UNITS TWO PAGES

	Locomotive Number	Type of Locomotive	Operating Road	Reporting Marks	Year Built
1	4003	GP - 40	Missouri Northern Arkansas RR	MNA	1968
2	4004	GP - 40	Missouri Northern Arkansas RR	MNA	1968
3	4005	GP - 40	Georgia Southwestern Railroad	GSWR	1966
4	4006	GP - 40	Missouri Northern Arkansas RR	MNA	1968
5	4007	GP - 40	Missouri Northern Arkansas RR	MNA	1968
6	4008	GP - 40	Indiana & Ohio Railroad	IOFY	1968
7	4009	GP - 40	Missouri Northern Arkansas RR	MNA	1968
8	4010	GP - 40	Missouri Northern Arkansas RR	MNA	1968
9	4011	GP - 40	Indiana Southern Railroad	ISRR	1968
10	4016	GP - 40	Dallas, Garland & Northeastern RR	DGNO	1966
11	4017	GP - 40	Dallas, Garland & Northeastern RR	DGNO	1966
12	4018	GP - 40	Dallas, Garland & Northeastern RR	DGNO	1966
13	4020	GP - 40	Toledo, Peoria & Western Railroad	TPW	1971
14	4021	GP - 40	Indiana & Ohio Railroad	IOFY	1969
15	4023	GP - 40	Indiana & Ohio Railroad	IOFY	1969
16	4024	GP - 40	Indiana & Ohio Railroad	IOFY	1970
17	4025	GP - 40	Dallas, Garland & Northeastern RR	DGNO	1968
18	4026	GP - 40	West Texas & Lubbock Railroad	WTLR	1966
19	4027	GP - 40	Georgia Southwestern Railroad	GSWR	1966
20	4028	GP - 40	Georgia Southwestern Railroad	GSWR	1966
21	4029	GP - 40	Dallas, Garland & Northeastern RR	DGNO	1968
22	4030	GP - 40	Indiana & Ohio Railroad	IOFY	1969
23	4044	GP - 40	Missouri Northern Arkansas RR	MNA	1968
24	4047	GP - 40	New England Central Railroad	NECR	1970
25	4048	GP - 40	New England Central Railroad	NECR	1969
26	4049	GP - 40	New England Central Railroad	NECR	1971
27	6637	GP - 40	Toledo, Peoria & Western Railroad	TPW	1971
28	6281	SD - 40	New England Central Railroad	NECR	1971
29	4000	GP - 40 CU	Central Oregon & Pacific RR	CORP	1962
30	4001	GP - 40 CU	Central Oregon & Pacific RR	CORP	1962
31	4020	GP - 40 - 1	Indiana & Ohio Railroad	IOFY	1966
32	4031	GP - 40 - 1	Indiana & Ohio Railroad	IOFY	1971
33	4032	GP - 40 - 1	Indiana & Ohio Railroad	IOFY	1968
34	4033	GP - 40 - 1	Indiana & Ohio Railroad	IOFY	1971
35	4034	GP - 40 - 1	Indiana & Ohio Railroad	IOFY	1971
36	4035	GP - 40 - 1	Indiana & Ohio Railroad	IOFY	1970
37	4036	GP - 40 - 1	Indiana & Ohio Railroad	IOFY	1971
38	4038	GP - 40 - 1	Indiana Southern Railroad	ISRR	1971
39	4039	GP - 40 - 1	Indiana Southern Railroad	ISRR	1971
40	4040	GP - 40 - 1	Indiana Southern Railroad	ISRR	1971
41	4041	GP - 40 - 1	Indiana Southern Railroad	ISRR	1971

42	4043	GP - 40 - 1	Indiana Southern Railroad	ISRR	1971
43	4050	GP - 40 - 1	Indiana & Ohio Railroad	IOY	1971
44	4051	GP - 40 - 1	Indiana Southern Railroad	ISRR	1971
45	2340	SW - 1500	Pittsburgh Industrial Railroad	PIR	1970
46	2342	SW - 1500	Pittsburgh Industrial Railroad	PIR	1970
47	3814	GP - 38 AC	Indiana Southern Railroad	ISRR	
48	3827	GP - 38 AC	Central Oregon & Pacific RR	CORP	1970
49	3838	GP - 38 AC	Indiana & Ohio Railroad	IOY	1970
50	3841	GP - 38 AC	Virginia Southern	VSRR	1969
51	3842	GP - 38 AC	Virginia Southern	VSRR	1969
52	3857	GP - 38 AC	New England Central Railroad	NECR	1969
53	3818	GP - 38 - 2	Central Oregon & Pacific RR	CORP	1973

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MEMORANDUM OF LEASE

**SURFACE TRANSPORTATION BOARD**

1. Pursuant to the Master Lease Agreement dated as of December ~~28~~<sup>26</sup>, 2000, and the related Schedule No. 1 dated as of December ~~28~~<sup>26</sup>, 2000 (collectively, the "Lease Agreement"), between Radnor Rail, Ltd. ("Lessor"), as lessor, RailTex, Inc. ("Lessee"), as lessee, which includes a third party guarantee, Lessor has leased to Lessee the locomotive equipment identified on the exhibit attached hereto and entitled "Description of Locomotives" (the "Locomotives"). Said lease of the Locomotives is referred to hereinafter as the "Lease."

2. The addresses of the parties are as follows:

Radnor Rail, Ltd. (Lessor)  
Suite 112  
150 Strafford Avenue  
Radnor, Pennsylvania 19087

RailTex, Inc. (Lessee)  
5300 Broken Sound Boulevard, NW  
Boca Raton, Florida 33487

3. The terms and provisions of the Lease are more particularly set forth in the Lease Agreement.

4. The Lease Agreement is intended to be a true lease, but if the transaction is determined to be a financing, then Lessor is hereby (and pursuant to the Lease Agreement is thereby) granted a security interest in the Locomotives and shall have all the rights and remedies of a secured party under applicable law.

5. This Memorandum may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

[Execution on Next Page]

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of December 28, 2000.

RADNOR RAIL, LTD.

By: Kent S. Zehner

Name: Kent S. Zehner

Title: President

Commonwealth of Pennsylvania, County of Philadelphia

On December 21, 2000, before me personally appeared Kent S. Zehner, to me personally known, who being by me duly sworn says that he is President of Radnor Rail, Ltd., and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Deborah A. Kaczynski  
Notary Public

My commission expires: July 11, 2002

[NOTARIAL SEAL]

NOTARIAL SEAL DEBORAH A. KACZYNSKI, Notary Public City of Philadelphia, Phila. County My Commission Expires July 11, 2002
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[Execution continued on next page; remainder of this page intentionally left blank]

RAILTEX, INC.

By: Julie Herbert

Name: Julie Herbert

Title: VP, CFO - N. American Rail Group

State of Texas, County of Bexar

On December 22 2000, before me personally appeared Julie Herbert, to me personally known, who being by me duly sworn says that he is Vice President of RailTex, Inc., and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Kelly C. Houston  
Notary Public

My commission expires:

[NOTARIAL SEAL]

